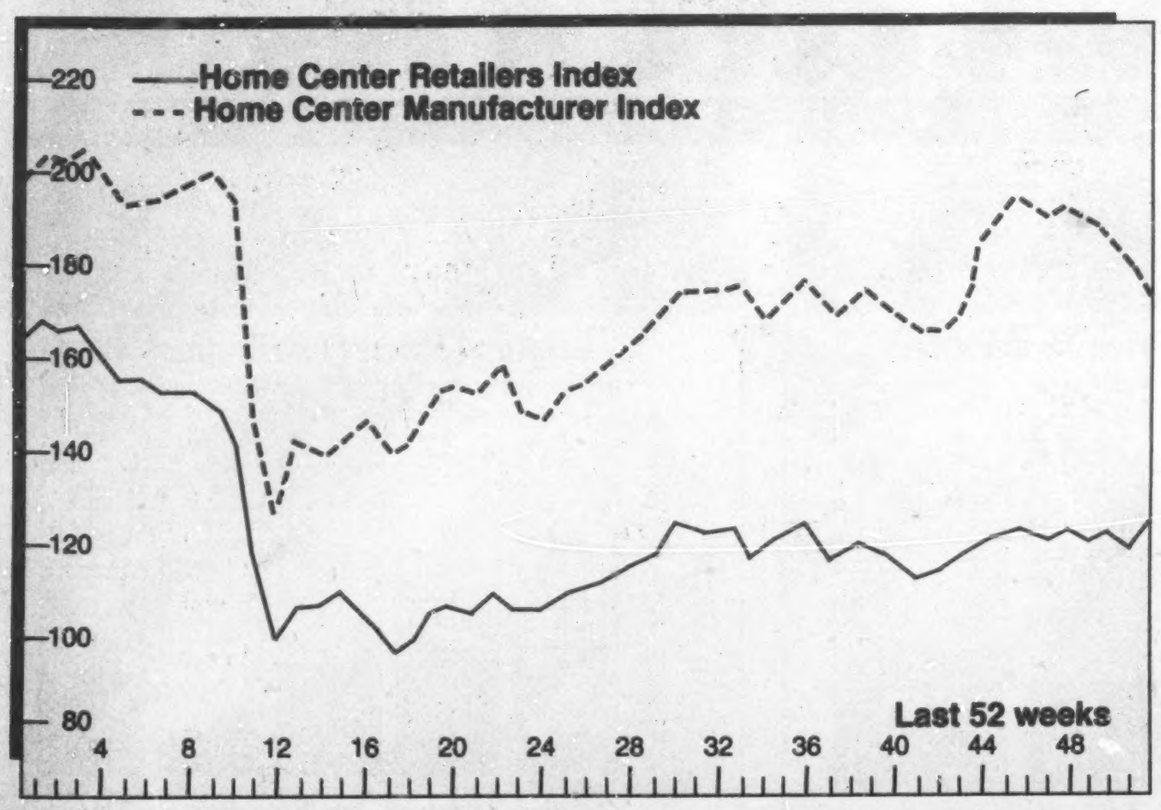
Business Watch

stocks



The home center retailer and manufacturer stock market indices are a measurement of the changes in aggregate market value compared to their value on August 5, 1988, which has been set to equal 100 on the index. Aggregate market value is the sum of each stock's price multiplied by its number of shares outstanding, adjusted to eliminate the effects of additions or deletions to the *NHCN* stock list.

Most industry stocks fare better

The stocks of home improvement companies fared much better during the two weeks ended Aug. 5. As tracked by Media General for *NHCN*, 30 companies saw an increase in their stock prices. Nineteen firms had a decline and the price of five stocks were flat.

Retailers were led by Interco, the St. Louis-based parent of Central Hardware which is being pursued by City Capital Associates, a Washington-based investment firm controlled by Steven Rales, whose $70 per share offer for the company was rejected by Interco on Aug. 8.

During the tracking period, Interco's stock price rose 19.2 percent to $68.25 per share.

Zayre Corp.'s price also increased strongly by 9.3 percent to $22, and NHD Stores saw a 4.8 percent gain to $5.50 per share.

However, a good number of dealers experienced only modest gains (such as the 0.6 percent increase for Lowe's), or declines, with the steepest drop happening to Grossman's, whose stock price decreased 8.9 percent to $6.38 per share.

Among manufacturers, there were wide swings in pricing.

For example, Insilco's stock jumped 41.5 percent to $29, while the price of Mor-Flo Industries' stock fell 22 percent to $4.88 per share.

On the plus side, American Woodmark's stock rose 11.8 percent to $9.50 and Owens-Corning Fiberglas' increased 16.1 percent to $25.25

National Home Center News

HOME CENTER MARKET SUMMARY

Company and Market	Stock Market: Price: 2-Weeks Ended 8-05-88	2-Weeks Change: Amt.	2-Weeks Change: Pct.	2-Week Range: High	2-Week Range: Low	52-Week Range: High	52-Week Range: Low	Volume: 2-Weeks Shares Traded: Total	Volume: 2-Weeks Shares Traded: % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Volume Trend Change	Financial Update: P/E Ratio	Indicated Dividend Rate: Amt.	Indicated Dividend Rate: Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue: Amt.	Latest Quarter: Revenue: Chg.	Latest Quarter: Net Income: Amt.	Latest Quarter: Net Income: Chg.	Latest Quarter: E.P.S.: Amt.	Latest Quarter: E.P.S.: Chg.	Year-to-Date: Revenue: Amt.	Year-to-Date: Revenue: Chg.	Year-to-Date: Net Income: Amt.	Year-to-Date: Net Income: Chg.	Year-to-Date: E.P.S.: Amt.	Year-to-Date: E.P.S.: Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Retailers																													
Gen Bldg Prods ..... M	5.88	.00	.0	5.88	5.63	11.75	4.00	254	.63	.54	16.7	17.3	.00	.0	.....	6 mos.	05-88	19.7	16.6	.3	- 57.1	.08	- 60.0	34.6	16.1	.2	- 80.0	.05	- 82.8
Grossman's Inc ..... M	6.38	- .63	- 8.9	6.88	6.38	10.00	4.13	11,212	4.29	1.84	133.2	11.8	.00	.0	NEW	6 mos.	06-88	329.9	6.2	11.7	42.7	.45	9.8	533.9	6.2	2.6	52.9	.10	11.1
Hechinger A ..... M	17.25	- .25	- 1.4	18.13	17.25	26.50	14.25	10,953	7.60	2.93	159.4	NA	.16	.9	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Hechinger B ..... M	17.25	- .75	- 4.2	18.00	17.25	26.75	15.50	365	.22	.17	29.4	14.7	.06	.3	.....	3 mos.	04-88	238.8	44.9	8.8	15.8	.24	.0	238.8	44.9	8.8	15.8	.24	.0
Home Depot ..... N	27.13	1.13	4.3	28.13	25.50	29.75	12.13	16,265	3.31	1.71	93.6	22.2	.12	.4	.....	3 mos.	04-88	446.6	33.7	19.2	50.0	.38	31.0	446.6	33.7	19.2	50.0	.38	31.0
INTERCO Inc ..... N	68.25	11.00	19.2	69.50	57.00	69.50	29.50	81,050	21.64	4.09	429.1	18.5	1.72	2.5	.....	3 mos.	05-88	778.1	- .4	30.7	15.8	.80	29.0	778.1	- .4	30.7	15.8	.80	29.0
K mart Cp ..... N	33.63	.50	1.5	34.88	32.63	48.38	21.63	33,155	1.65	.86	91.9	9.8	1.32	3.9	.....	3 mos.	04-88	5841.8	4.4	120.8	4.6	.60	5.3	5841.8	4.4	120.8	4.6	.60	5.3
Lowe's Cos ..... N	21.63	.13	.6	22.00	20.00	29.38	15.25	7,265	1.83	.80	126.8	13.5	.44	2.0	.....	3 mos.	04-88	590.6	3.8	15.1	17.1	.39	18.2	590.6	3.8	15.1	17.1	.39	18.2
NHD Stores ..... M	5.50	.25	4.8	5.50	5.25	9.25	3.75	84	.62	.58	6.9	10.2	.00	.0	.....	3 mos.	04-88	9.8	11.4	- .1	NC	- .06	- 100.0	9.8	11.4	- .1	NC	- .06	- 100.0
Nall Lumber ..... M	3.13	.00	.0	3.25	3.00	5.50	2.50	151	.27	.16	68.8	NE	.00	.0	.....	*	04-88	NC	NC	NC	NC	NC	NC	38.1	NC	.1	NC	.01	NC
Payless Cash ..... N	26.75	.00	.0	27.00	26.63	27.50	9.63	19,468	5.78	8.99	- 35.7	32.2	.16	.6	.....	6 mos.	05-88	537.9	10.0	17.2	6.2	.51	8.5	895.6	9.1	19.8	.5	.59	3.5
Scotty's Inc ..... N	13.13	.38	2.9	13.63	12.63	15.25	10.00	1,354	.93	.30	210.0	16.6	.52	4.0	.....	9 mos.	03-88	137.3	2.0	3.5	16.7	.23	9.5	394.5	4.1	8.3	18.6	.56	16.7
Sears, Roebuck ..... N	36.25	.38	1.0	37.00	35.13	59.50	26.00	48,081	1.27	1.51	- 15.9	9.0	2.00	5.5	NEW	6 mos.	06-88	12982.1	10.8	369.4	- 5.4	.98	- 4.9	25140.0	13.3	548.9	- 19.1	1.45	- 18.5
Std Brd Prt ..... N	13.38	- 1.13	- 7.8	14.75	13.25	31.88	10.63	2,225	4.23	2.43	74.1	NE	.00	.0	.....	3 mos.	04-88	73.8	- 6.5	1.1	- 74.4	.13	- 75.0	73.8	- 6.5	1.1	- 74.4	.13	- 75.0
Strober Organiz ..... M	10.25	- .50	- 4.7	11.00	10.00	13.00	6.25	345	.57	.32	78.1	13.5	.00	.0	.....	3 mos.	03-88	28.1	31.9	.4	- 60.0	.06	- 64.7	28.1	31.9	.4	- 60.0	.06	- 64.7
Wickes Cos ..... N	9.75	- .13	- 1.3	10.00	9.33	21.88	7.25	7,153	1.50	1.51	- .7	NE	.00	.0	.....	3 mos.	04-88	928.1	- 39.7	- 2.6	- 100.0	.17	- 90.0	928.1	- 39.7	- 2.6	- 100.0	.17	- 90.0
Wolohan Lumber ..... M	15.75	- .50	- 3.1	16.50	15.50	18.75	8.75	1,251	2.14	1.34	59.7	9.2	.24	1.5	NEW	6 mos.	06-88	76.6	18.8	3.8	46.2	.65	51.2	118.9	12.6	4.6	27.8	.79	29.5
Zayre Corp ..... N	22.00	1.88	9.3	23.00	20.00	37.00	13.50	74,901	13.21	3.78	249.5	12.1	.40	1.8	.....	3 mos.	04-88	1450.9	12.0	4.5	- 78.7	.08	- 77.8	1450.9	12.0	4.5	- 78.7	.08	- 77.8
Wholesalers																													
Hughes Supply ..... N	17.25	- .50	- 2.8	17.75	17.13	20.19	13.19	439	.88	.42	109.5	9.1	.32	1.9	.....	3 mos.	04-88	116.5	21.6	2.1	5.0	.43	10.3	116.5	21.6	2.1	5.0	.43	10.3
Moore Handley ..... M	4.25	- .50	- 10.5	4.50	4.00	9.00	3.75	51	.21	.21	.0	NE	.00	.0	NEW	6 mos.	06-88	27.6	17.9	.1	- 75.0	.04	- 71.4	53.4	13.6	.0	- 100.0	.02	- 92.9
Lewis Palmer ..... M	11.00	.50	4.8	11.00	10.50	11.50	5.75	30	.08	2.32	- 96.6	25.6	.28	2.5	.....	3 mos.	04-88	53.3	.8	.4	33.3	.12	33.3	53.3	.8	.4	33.3	.12	33.3
Manufacturers																													
Am Consum Prods ..... M	10.88	- 1.00	- 8.4	12.50	10.75	12.50	6.31	98	.37	1.38	- 73.2	15.1	.00	.0	NEW	6 mos.	06-88	18.6	77.1	.5	25.0	.18	12.5	36.1	83.2	.9	28.6	.35	29.6
Am Woodmark ..... M	9.50	1.00	11.8	9.63	9.00	13.88	5.91	1,034	1.37	.39	251.3	13.6	.00a	.0	.....	fiscal	04-88	33.5	14.3	.9	- 40.0	.12	- 40.0	129.5	11.8	5.3	- 22.1	.70	- 23.9
Armstrng Wrld ..... N	37.50	1.13	3.1	38.63	35.75	47.38	22.50	15,451	3.35	1.53	119.0	10.8	1.00	2.7	NEW	6 mos.	06-88	671.1	12.5	46.2	12.4	1.00	14.9	1300.6	14.3	85.2	16.7	1.84	19.5
Black & Decker ..... N	22.00	.00	.0	22.25	21.25	26.50	13.00	15,445	2.62	1.98	32.3	14.6	.40	1.8	NEW	9 mos.	06-88	538.9	15.9	21.7	141.1	.36	140.0	1689.0	17.9	74.0	82.3	1.25	81.2
Boise Cascade ..... N	44.38	.75	1.7	45.75	42.50	51.16	28.81	13,356	2.96	1.20	146.7	8.4	1.20	2.7	.....	6 mos.	06-88	1007.2	7.6	72.3	105.4	1.59	130.4	2023.5	9.5	140.8	86.7	3.06	106.8
Catalina Lgtg ..... A	7.50	.00	.0	7.75	6.88	7.88	3.00	935	3.02	4.35	- 30.6	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Champ Intl ..... N	34.63	1.25	3.7	35.13	32.75	44.63	21.75	25,659	2.69	1.48	81.8	8.5	1.00	2.9	.....	6 mos.	06-88	1262.3	8.7	112.2	- 27.9	1.18	- 28.0	2528.4	12.0	214.2	1.4	2.25	.9
Clairson Intl ..... M	4.88	- .13	- 2.5	4.88	4.75	10.75	4.50	249	.49	1.07	- 54.2	NE	.00	.0	.....	6 mos.	03-88	27.5	45.5	- 2.6	- 100.0	- .50	- 100.0	51.2	45.5	- 2.2	- 100.0	- .42	- 100.0
Cooper Indus ..... N	54.25	.13	.2	55.75	53.75	74.50	39.00	11,666	2.32	1.16	100.0	14.2	1.80	3.3	NEW	6 mos.	06-88	1049.2	17.2	60.4	33.0	1.18	- 29.7	1974.7	16.5	92.6	26.8	1.82	23.8
DeSoto Inc ..... N	34.13	- 2.00	- 5.5	35.88	34.00	42.00	21.00	1,111	2.78	2.24	24.1	18.2	1.40	4.1	.....	6 mos.	06-88	122.0	2.8	4.1	- 39.7	1.04	- 39.9	219.5	5.0	5.9	- 34.4	1.48	- 34.8
Emhart Corp ..... N	21.13	- .13	- .6	22.38	20.88	26.63	15.50	11,982	1.94	.82	136.6	11.4	.80	3.8	NEW	6 mos.	06-88	701.3	11.5	33.6	16.7	.54	17.4	1395.8	13.3	66.2	16.5	1.07	17.6
Georgia Pacific ..... N	38.63	1.25	3.3	39.13	36.00	48.38	22.75	22,680	2.17	1.00	117.0	8.8	1.20	3.1	.....	6 mos.	06-88	2418.0	15.4	118.0	- 20.3	1.20	- 11.1	4533.0	14.8	224.0	- 1.8	2.22	7.8
Insilco Corp ..... N	29.00	8.50	41.5	29.50	19.75	29.50	14.00	69,067	33.09	3.33	893.7	NE	1.00	3.4	NEW	6 mos.	06-88	196.4	13.6	11.7	10.4	.55	10.0	382.6	9.8	21.7	17.9	1.02	17.2
La Pacific ..... N	32.75	- 1.00	- 3.0	34.00	32.38	39.75	21.50	11,068	2.89	1.67	73.1	7.9	.92	2.8	.....	6 mos.	06-88	405.2	- 17.1	39.2	12.6	1.02	12.1	888.2	- 2.6	85.7	67.7	2.23	66.4
Macmillan Bloedel ..... M	15.63	- .13	- .8	15.75	15.50	23.50	12.00	7,192	.70	.48	45.8	NA	1.05	NA	.....	3 mos.	03-88	796.5	10.7	91.6	51.7	.85	57.4	796.5	10.7	91.6	51.7	.85	57.4
Manville Cp ..... N	2.00	.13	6.7	2.00	1.88	4.00	1.75	3,472	1.45	.80	81.3	.4	.00	.0	NEW	6 mos.	06-88	561.0	8.3	33.1	- 19.5	1.12	- 23.3	1063.2	7.1	66.8	- 18.1	2.35	- 21.1
Masco Corp ..... N	27.38	.25	.9	28.50	26.38	39.25	18.75	19,544	1.47	.94	56.4	14.2	.48	1.8	NEW	6 mos.	06-88	659.0	34.8	85.5	29.9	.60	20.0	1215.0	29.4	165.1	36.1	1.20	30.4
Mor-Flo Inds ..... M	4.88	- 1.38	- 22.0	5.00	4.50	11.75	4.50	145	.58	.40	45.0	NE	.01	.2	.....	3 mos.	03-88	55.4	- .2	- .4	- 100.0	- .18	- 100.0	55.4	- .2	- .4	- 100.0	- .18	- 100.0
Newell Co ..... N	45.50	- .25	- .5	46.00	42.25	46.75	21.13	2,509	2.17	.93	133.3	15.8	1.20	2.6	.....	3 mos.	03-88	236.2	133.2	9.9	62.3	.64	25.5	236.2	133.2	9.9	62.3	.64	25.5
Nortek Inc ..... N	8.00	.38	4.9	8.25	7.50	14.38	5.00	2,371	1.56	1.00	56.0	NE	.10	1.3	NEW	6 mos.	06-88	368.7	10.7	9.4	370.0	.64	392.3	706.0	13.2	11.5	2.7	.78	11.4
Owens Corn ..... N	25.25	3.50	16.1	26.50	21.50	26.88	9.00	17,806	4.45	1.42	213.4	4.8	.00	.0	.....	6 mos.	06-88	735.0	NC	52.0	NC	1.27	NC	1357.0	NC	80.0	NC	1.93	NC
Ply-Gem ..... A	14.88	.75	5.3	15.25	14.13	17.75	9.00	4,226	3.93	1.00	293.0	16.3	.12	.8	NEW	6 mos.	06-88	106.1	29.2	6.3	65.8	.56	75.0	195.5	28.0	9.7	36.6	.86	41.0
Pope & Talbot ..... N	18.38	- 1.13	- 5.8	19.38	18.38	27.25	9.75	1,556	1.33	1.00	30.0	7.6	.50	2.7	.....	6 mos.	06-88	122.0	14.8	6.8	- 5.6	.57	- 5.0	237.7	15.1	14.8	- 6.5	1.24	7.6
Potlatch Cp ..... N	32.75	1.50	4.8	33.38	30.88	39.25	21.00	3,928	1.46	.78	87.2	9.3	.92	2.8	.....	6 mos.	05-88	265.8	9.4	24.5	9.9	.88	10.0	525.0	6.6	51.0	27.2	1.83	28.0
PPG Inds ..... N	44.00	.50	1.1	45.38	42.88	50.38	27.50	14,460	1.31	.89	47.2	11.3	1.41	3.2	NEW	6 mos.	06-88	1450.5	8.8	133.8	30.7	1.22	43.5	2823.9	8.8	252.4	33.3	2.29	44.9
Rep Gypsum ..... N	6.00	.25	4.3	6.13	5.63	8.63	4.63	553	.55	.27	103.7	28.6	.36	6.0	.....	9 mos.	03-88	11.9	- 5.6	.1	- 80.0	.01	- 83.3	39.3	- 9.0	1.3	- 61.8	.13	- 60.6
Sherwin-Wms ..... N	29.63	2.50	9.2	30.50	26.75	36.13	20.13	13,111	3.00	.93	222.6	12.9	.64	2.2	NEW	6 mos.	06-88	542.0	10.3	36.2	17.5	.82	18.8	954.0	9.4	44.6	13.8	1.01	17.4
Stanley Works ..... N	27.25	1.25	4.8	27.25	25.50	36.63	21.25	5,350	1.25	.55	127.3	12.4	.88	3.2	NEW	6 mos.	06-88	486.5	12.2	26.1	19.7	.61	22.0	952.8	12.1	47.4	20.0	1.10	20.9
Thos Inds ..... N	22.00	- .25	- 1.1	22.50	21.50	24.50	13.81	608	.58	.62	- 6.5	12.6	.68b	3.1	NEW	6 mos.	06-88	90.9	13.2	4.7	- 2.1	.44	- 2.2	173.0	8.8	9.7	12.8	.92	13.6
Union Camp ..... N	35.63	1.63	4.8	35.75	33.50	47.63	26.00	18,313	2.55	1.07	138.3	9.9	1.24	3.5	NEW	6 mos.	06-88	680.1	14.3	73.9	54.6	1.07	64.6	1305.5	17.1	141.6	53.9	2.02	61.6
USG ..... N	7.63	.75	10.9	7.75	6.88	7.75	6.75	62,105	12.03	NC	NC	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Waxman Inc ..... M	1.88	.75	6.7	11.88	11.00	12.25	4.84	2,769	4.53	4.12	10.0	13.5	.09	.8	.....	9 mos.	03-88	38.6	24.5	1.9	111.1	.45	350.0	111.5	31.6	4.7	88.0	.75	177.8
Weyerhaeuser ..... N	25.38	.25	1.0	25.88	24.38	38.34	12.69	37,497	1.84	1.05	75.2	10.4	1.20	4.7	NEW	6 mos.	06-88	2094.6	18.4	150.6	68.8	.89	111.9	3952.1	18.6	284.6	38.6	1.25	35.9

All Data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting period
3 mos.—First quarter of fiscal year
6 mos.—First six months of fiscal year
9 mos.—First nine months of fiscal year
Fiscal—Fiscal year
NEW—New report since last issue

Last 52 Weeks

General Field Footnotes
NA—Not available or not applicable
NC—Data required for calculation currently incomplete in our files
NE—Negative earnings invalidate calculations
NM—No meaningful figure
a—Under dividend amount, indicates a stock dividend
b—Indicates cash plus stock dividend when applied to dividend amount column

P/E Ratio—Price/earnings ratio
E.P.S.—Earnings per share
Market
N—New York Stock Exchange
A—American Stock Exchange
O—NASDAQ Over-the-Counter
M—NASDAQ National Market

*Two-week average volume equals the number of shares traded divided by the number of shares outstanding during the latest two-week period. Twelve-week average volume equals the number of shares traded divided by the number of shares outstanding over the previous 12 weeks.

All earnings data and all related calculations using earnings data use primary earnings from total operations and after taxes. Earnings are before extraordinary items, when such items are applicable.

Data and Table Provided by Media General Financial Services Inc., Richmond, Va. 23219

Dealers focus on drought conditions at L&G Expo

(Continued from page 1)
a gone fishing sign up," said Dave Burke.

The weather may have affected show attendance, which was about the same as in 1987, according to show spokeswoman Polly Moter. Figures indicate 22,349 people attended, up slightly from last year's 22,290.

There were a few less retailers at this year's show, according to Warner Frazier, chairman of the Expo 88 management committee and president and ceo of Simplicity Manufacturing, the Port Washington, Wis., supplier. That deficit was made up by an increase in international attendance.

There were 1,000 international visitors from 60 nations. Several buyers from overseas were in Louisville looking at new lines and the currently weak dollar had an influence on the international guests since they now have more buying power, Frazier said.

An encapsulation of what has gone on in lawn and garden sales so far this year was delivered to show attendees by Ray Daniel, senior vp and economist with the Wharton Econometric Forecasting Associates (WEFA), Bala Cynwyd, Pa.

Daniel noted that walk behind mower shipments were down 5 percent through May, but shipments of riding mowers were up 9 percent and rotary tillers were up 7 percent.

However, while the drought was expected to reduce shipments from June to September by 10 percent to 25 percent, over 90 percent of all shipments were already completed by May, just before the drought struck, Daniel said.

Therefore, retailers at the show said they have built up inventories of unsold merchandise and manufacturers do not expect to feel the impact until next year, since retailers will still be trying to sell this year's products.

At least one manufacturer, Snapper Power Equipment of McDonough, Ga., is putting "extraordinary inventory financing plans" into effect to help dealers who still have products they normally would have sold weeks ago, according to Don B. Weakley, senior vp-corporate development. Consumers can look forward to special promotions in the future to push these products out, he said.

Daniel suggested there may be a silver lining to the drought. It will cause people to pay more attention to their lawns when the drought ends, he said.

But this was rejected by Donald Theis of Theis Lawn Service of Cincinnati, which lost 80 percent of his business because of the drought. "I'm all residential lawns. When they don't grow, I don't cut. If I don't cut, I don't make any money," said Theis, who added that homeowners might just as likely be discouraged after the drought ends and not put any future money into their lawns.

With so many questions about how severely the drought would affect inventory levels in the coming months, it appeared that suppliers were being cautious about the deals they could offer retailers.

"I was very upset not many manufacturers had fixed pricing programs to present to us," said Richard Dodd, lawn and garden buyer for Scotty's, the 147-unit home center chain in Winter Haven, Fla. "It seems like everyone was waiting to see what the other companies were going to do."

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Vol. 14, No. 17 August 22, 1988

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Sequoia plans to merge with Grip-Rite

(Continued from page 1)
ployees—750 from Sequoia Supply and 250 from Grip-Rite.

Hylbert said it would be "premature" to discuss what a new company created by the merger of Sequoia Supply and Grip-Rite would be called. "We have made no decisions," he said. He added that "in the short term" he expects no changes in headquarters locations or management.

Hylbert said Grip-Rite would "fit in well with us, geographically, and the product synergies are significant."

Grip-Rite companies operate as Miller Supply, White Plains, N.Y.; Metropolitan Wholesale Supply, Chicago; Mid-American Distributing, Minneapolis; Guardian Purchasing, Hartsdale, N.Y.; Pan American Building Materials, Philadelphia; and Grip-Rite Ltd., a Hong Kong-based trading company.

Grip-Rite's distribution centers are in Northeastern, Atlantic, South Western and Midwestern states, while Sequoia Supply centers are concentrated in the West, South and Midwest. Both have facilities in Chicago and Dallas.

Sequoia Supply was founded in 1948 and bought by Wickes Cos. in 1975 from Evans Products. It was spun off from Wickes in March 1987 in a management-led leveraged buyout.

Arnold L. and Marvin Miller founded Miller Supply in 1956 and subsequently acquired ownership stakes in several other companies. By the mid-1960s, they were using the umbrella name "Grip-Rite." The companies have local management and ownership.

More than 50 percent of Grip-Rite's products are nails and fasteners and the remaining percentage is building materials including roofing and ceiling tile. Sequoia Supply concentrates on heavy sheet goods and commodity products such as paneling, lumber and other building materials.

Eighty percent of Sequoia Supply customers are retailers including home centers, independent lumber dealers and hardware stores, as well as industrial accounts.

"Grip-Rite is selling to Channel, to Wickes Lumber, to Lowe's, to independents—the same kind of people who are important to our business," Hylbert said.

Hylbert said the possibility of a merger was developed after conversations with Miller "and his key people" began more than a year ago.

Hylbert said Grip-Rite provides Sequoia Supply with an opportunity for "cross-fertilization." He explained, "Basically, a Sequoia location may have the capacity to do more business. Now it will have metal products to sell in the geographic area where Grip-Rite is not now selling."

Hylbert estimated a typical Sequoia Supply distribution center as having about 1,000 stockkeeping units. Miller said Grip-Rite has "thousands" of skus. Hylbert said the merger would make the combined company more profitable. "We can get to more customers with more products more often."

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National
Home Center News

Vol. 14, No. 18 $2 a copy The newspaper for retailers serving homeowners and contractors. Published by Lebhar-Friedman Inc. Sept. 5, 1988

Wickes Cos. at a Glance

1987 Sales:	**$3,476,861,000**
Automotives & Industrial Products:	$1.7 billion
Home Improvement & Home Furnishings:	$1.1 billion*
Wallcoverings & Decorative Fabrics:	$644 million
1987 Operating Income:	**$41,577,000**
Automotive & Industrial Products:	$147 million
Home Improvement & Home Furnishings:	$57 million
Wallcoverings & Decorative Fabrics:	$83 million
1987 Net Income:	**$180,511,000**
1987 Long-term Debt:	**$1,408,548,000**
1987 Short-term Debt:	**$631,999,000**
Common Stock Outstanding:	**49.8 million shares (current)**

*Includes 123 Builders Emporiums and 29 Orchard Supply Hardwares.
Source: Wickes Cos. 1987 annual report *NHCN* chart

Hechinger purchases 47 Bradlees units for $118M

Plans to sell sites in overlapping markets

By Milford Prewitt

LANDOVER, Md. — Hechinger Co. has purchased the leases of 47 Bradlees Discount Department Stores for $118 million in a move that seems certain to enhance the company's competitiveness in the Northeast and Middle Atlantic states.

The company signed a definitive agreement Aug. 16 to purchase the locations from Bradlees' corporate parent, the Stop & Shop Companies, Boston, which has been attempting to sell 58 of its 168 Bradlees stores since May in an effort to reduce its $1.23 billion debt load from a leveraged buyout.

Stop & Shop's management bought the company when retail corporate raiders, the Dart Group Corp, attempted an unfriendly takeover.

Of the 47 locations involved in the deal, 44 are within the fertile Washing-

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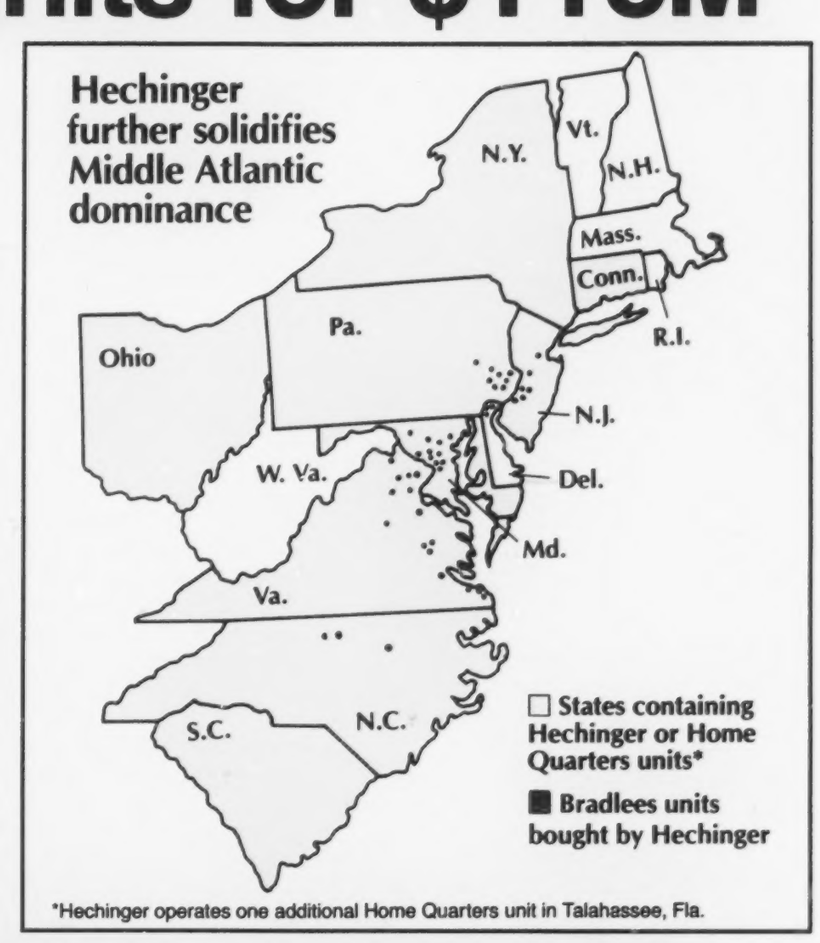

*Hechinger operates one additional Home Quarters unit in Talahassee, Fla.

Sigoloff makes bid to take Wickes private in buyout

By Brad Altman

LOS ANGELES — Employees of the Builders Emporium and Orchard Supply Hardware divisions of Wickes Cos. were stunned by chairman Sanford C. Sigoloff's bombshell disclosure that he and other top Wickes executives intend to take the company private in a leveraged buyout bid valued at $573.8 million.

In the wake of the buyout proposal, BE and OSH staffers were left uncertain about the Sigoloff group's plans for the home center chains in light of its game plan for reducing the anticipated debt load connected with the takeover, which could increase Wickes' long-term indebtedness to more than $2.6 billion.

"Sandy Sigoloff doesn't have a love affair with any business," commented one shareholder. This past April, Wickes sold its Wickes Lumber division to its management in a $320 million deal.

Sigoloff and an undisclosed number of Wickes executives are joining with institutional investors and Wickes' financial adviser Drexel Burnham Lambert in the buyout bid.

Sigoloff's group, known as W-II Holdings, made a tender offer of $12 a share—or about $480 million—for 83 percent of Wickes' 49.8 million shares outstanding. The remaining stock would be converted into preferred stock also worth $12 per share.

The tender offer extends 60 days to Oct. 20, which is twice the typical length for such an

(Continued on page 100)

Sears taking look at branded merchandise in selected stores

By John Caulfield

CHICAGO — Branded merchandise may slowly find its way into the product mix in the home improvement departments in Sears' stores. And the nation's largest retailer is currently working with at least one wholesaler group and a major supplier to bring branded goods into its Paint and Hardware units.

The company has no intention of abandoning its own private label brands or bringing in national brands *en masse*, as any merchandising policy changes are still in the rudimentary stage. But it appears that Sears is making a major reassessment of its product assortments and where its own strengths and weaknesses lie in the market.

NHCN has learned that a number of the 15 hardware wholesalers belonging to the Sentry Hardware marketing group have begun to supply newer Sears P&H stores with name brand merchandise in selected product categories.

Ron Pink, the managing director of the Des Plaines, Ill.-based Sentry, would only con-

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Payless after LBO to target the professional customer

Consulting group moves company toward increased project selling

By an NHCN staff editor

KANSAS CITY, Mo. — The new Payless Cashways will direct its marketing and merchandising over the next 12 months more towards the cash and carry tradesman.

For years, Payless units in the Midwest and Southwest thought they were primarily serving DIYers. But according to sources within the company, much of these stores' business was coming from contractors, remodelers and skilled people who do this work as a second job.

"We're shifting some focus to the professional customer," said Brenda Nolte, a Payless spokesperson. "We see professional as the same as tradesmen." She added that the company has yet to decide whether the new emphasis will include a financing component so important in contractor sales.

The new direction, which would return Payless to its roots, is coming from an outside source. With a number of significant management lay-

(Continued on page 99)

Details emerge as Payless/Masco distribution deal takes shape

By Gary S. Ruderman

NATIONAL REPORT — A preferred supplier pact between one of the industry's largest vendors and Payless Cashways has some dealers and suppliers edgy.

Masco Capital Corp., a division of Masco Corp., will provide a total of $208.9 million to Payless to help finance the company's $909 million leveraged buyout. In exchange, Payless' management, under the auspices of PCI Acquisitions Corp., signed a preferred supplier agreement to favor Masco-affiliated companies through 1995.

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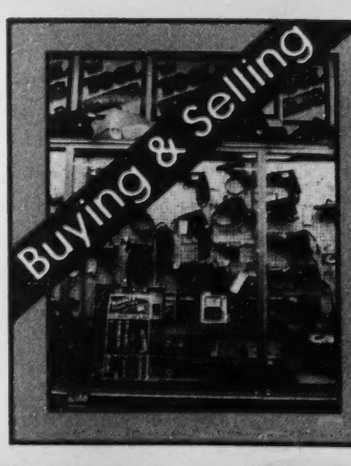

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NEWSBREAKS

CHANNEL TO OPEN 15 UNITS IN 1989: The 170-unit Whippany, N.J.-based retailer is negotiating for new sites in Alabama, New Hampshire, Texas, New York, New Jersey and Pennsylvania. Channel is also negotiating a lease for a commodities warehouse in northern New Jersey, is scheduled to open its 400,000-square-foot distribution center in Aberdeen, Md., in January and expects to expand its corporate headquarters next year as well as four or five existing units.

Scotty's president and chairman quit as GB-Inno ups stake in chain

By an NHCN staff editor

WINTER HAVEN, Fla.—In a surprising move, Scotty's chairman and president resigned on Aug. 26, one day after Belgian corporation GB-Inno-BM increased its holdings in the industry's 13th largest retailer to 42.7 percent from 29.3 percent.

Jim Sweet, Scotty's chairman, whose father founded the company in 1924, retired after 41 years of service. In leaving, Sweet and his family tendered their entire holdings in the company—1,895,331 shares of Scotty's common stock—to GIB Group, the name under which GB-Inno operates internationally. Scotty's stock on Aug. 25 closed on the New York Stock Exchange $12.75 per share.

The acquisition of these shares brings GB-Inno's total holdings to 6,172,414 common shares.

Dennis Stults, Scotty's president and an employee of the 156-unit chain for 27 years, resigned on the same day. Stults was unavailable for comment—as were all of Scotty's executives NHCN attempted to contact—but a prepared statement said he left "to pursue other intersts."

Sweet couldn't be reached for comment, but said in a prepared statement that he had wanted to retire for some time.

Ray Cooney, Scotty's former vice chairman and a board member, told NHCN that GB-Inno's decision to play a more active role in Scotty's operations was a "catalyst" behind the Sweet family's decision to divest its entire holdings in the company.

Taking a more active role

While GB-Inno said it had "no current intention" to acquire the rest of Scotty's stock, the boosting of its holdings signaled its intention to play a much greater role in Scotty's operations.

To that end, Diego du Monceau, the managing director of GIB Group was elected to Scotty's board of directors. And, in a surprising twist, Ron Rashkow, the chairman of Handy Andy Home Improvement Centers in Schaumburg, Ill., was also elected to Scotty's board. Handy Andy is 65 percent owned by GB-Inno.

P. Scott Linder, chairman of Linder Industrial Machinery Co. in Lakeland, Fla., and a long-time Scotty's director, replaced Sweet as chairman. Linder said that Scotty's board has established a new Strategic Planning Committee, to be headed by Rashkow, to provide "policy and supervisory responsibility to the management team."

Linder added that the board is "actively considering several candidates" to replace Stults and Scotty's "executive vp-merchandising." Kevin Fitzgerald currently serves as the chain's executive vp-purchasing and distribution. It could not be confirmed at press time whether he has left the company.

Cooney confirmed that the board would be looking outside the company for a new chief executive. He added that Rashkow's role would be strictly supervisory as Scotty's puts together a new management group and, possibly, maps out a new strategic direction.

Sweet and Stults together 20 years

The sale of the Sweet family's shares by GB-Inno was contingent upon the chain adopting an amendment to its bylaws rendering inapplicable a Florida state law that restricts corporate takeovers, and amendment approved by Scotty's board. Without this amendment, the shares couldn't be voted by GIB Group without approval of restoration of voting rights by the company's stockholders.

It couldn't be determined immediately if Sweet and Stults were forced out after GB-Inno upped its stake in the company, which has been public since 1968, and in which GB-Inno has held a stake since 1979.

Sweet noted Stults' decision to leave the company upon Sweet's retirement was expected, as they both shared the same basic philosophy for the operation and expansion of the chain, and have worked together for two decades.

Stults, who has been an officer for the company for 13 years and its president for the past three years, was credited by Sweet as having developed Scotty's advertising department into one of the largest in Florida. He also intitiated Scotty's Commerical Sales division, which accounted for 12 percent of Scotty's revenues, which totaled $550.83 million for the fiscal year ended June 27.

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Eclipse's store count dwindles down to two in Missouri area

By Tom Bagsarian

ST. LOUIS — And then there were two.

Eclipse Industries will be left with two of its five remaining Missouri home centers in the near future, according to U.S. Bankruptcy Court documents which were filed here on Aug. 15.

The financially ailing company has shut down its Cave Springs store and will close its Florissant and Crestwood stores in the near future. By Sept. 14, Eclipse's two remaining B&B Home Centers will be located in St. Ann and Arnold, Mo.

The latest development is seen by Eclipse president Steve Feinstein as "a positive move." The three closings will leave Eclipse with "two large superstores" each with 50,000 square feet and outdoor selling areas of 27,000 square feet, Feinstein said.

"The two remaining home centers will be doing more justice to our specialty departments," Feinstein said. This will include "massive displays" of kitchens, baths and other lines in the stores, he added.

Vince Voglar, attorney for the creditors committee, which was formed in July to supervise Eclipse as it attempts to regain its place in the home center market and battle out of Chapter 11, said vendors supplying Eclipse agreed with the decision to close the three stores and keep the two flagships operating.

Voglar and Eclipse attorney Stuart Radloff agreed vendors will continue to supply B&B for at least the near future. The vendors wanted to cut back to two large stores "to reduce what might be considered by some an overextension," Radloff said.

(Continued on page 102)

Fire ravages lumberyard's headquarters

By an NHCN staff editor

MEDFORD, N.Y. — Fire destroyed the home center operation and an adjacent warehouse at General Building Products' (GBP) headquarters complex.

The blaze caused an estimated $3 million to $5 million in damages Friday, Aug. 19, but missed the company's sprawling executive offices (which are in a separate building), data processing center, wholesale lumber inventory and the plants where the company assembles prehung doors, windows and kitchen cabinets.

Bruce Meltzer, president of GBP, said fire investigators called the blaze "suspicious." He said it started in a warehouse and consumed the home center building.

"They can call it suspicious," Meltzer said. "That's between the fire department and the insurance investigators.

"All I'm interested in right now is getting the home center rebuilt."

Despite the inconvenience the fire caused, the company was able to ship and supply orders by 8 a.m. on Monday.

Meltzer said he was in Atlantic City, N.J., entertaining the executives of Dee Wood Industries, the three-yard southern New Jersey chain GBP bought last month (*NHCN*, July 25), when he was called at 1 a.m. Saturday and told the retail headquarters was ablaze.

Contrary to some local press reports, Meltzer said the fire has not put the company out of business. He said the company is in good shape and intends to operate from the remaining Medford facilities to service the company's other yards.

Meltzer said new personnel has been added to the company's units in Bethpage and Hicksville, N.Y., to handle the expected increase in traffic from Medford customers.

Meltzer praised the company's employees and vendors for working through the weekend to prepare for Monday business.

"I've been in sports and in the Army and all that, but as an employer, the kind of team work I saw displayed this weekend really made me proud," Meltzer said.

He said he hopes to replace the home center at the same site with a new structure whose grand opening is already envisioned for Christmas. "This fire can only slow us down," Meltzer said. "It's not going to stop us."

Diamond shuffles senior management

By an NHCN staff editor

DALLAS — Bouncing back from its reorganization out of bankruptcy, Diamond Lumber has shuffled some members among its senior executive ranks to spearhead its penetration into the professional remodeler and contractor markets.

The company has hired James L. Collins as a senior vp and general merchandise manager. He will be responsible for all purchasing, marketing and advertising functions. He joined Diamond after a career at Moore's, the Grossman's subsidiary, where he was involved in developing and activating of a marketing strategy for the remodeling market.

A company-issued biography said Collins has 20 years' experience in the industry in several senior positions.

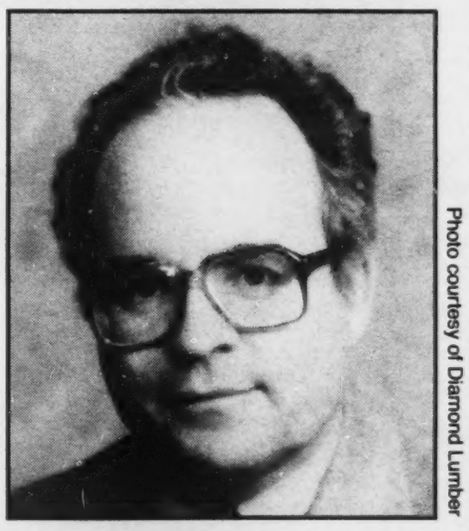

Photo courtesy of Diamond Lumber

Wayne Nalls, vp-marketing, Diamond Lumber.

Tom Hardy, Diamond's vp-purchasing, will be reporting to Collins. Hardy, who has a long background in millwork, lumber and building materials, joined Diamond after a career as a senior merchandise manager for P.F. O'Connor, the Braintree, Mass.-based retailer. He has also worked for Lloyd Home & Building Centers in Danbury, Conn.

James T. Schaffer, executive vp, said Wayne Nalls, formerly the company's vp-advertising, will be promoted to vp-marketing in a support role to Collins and Hardy. In his new position, Nalls will be responsible for all marketing, advertising and sales promotion programs.

Schaffer explained that the executive changes reflect the company's resolve to identify and capture the professional remodeler and contractor dollar. He said the company is becoming stronger since the reorganization and has marked three consecutive months of improving sales performance.

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Vendors feel put upon with growing demands by dealers

By Edward McKinley

NATIONAL REPORT — Home centers' demands for lower wholesale prices drove all but one manufacturer from the metal shed kit business.

Demands for more ad dollars have left some vendors suspecting that retailers simply pocket some of their money.

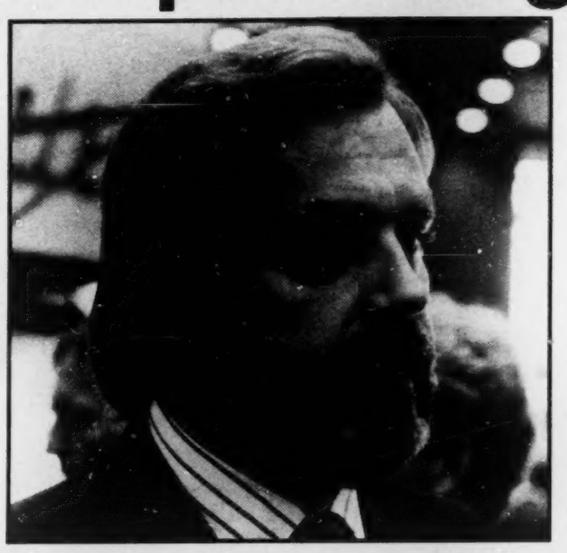
And demands for buybacks, free employee training and frequent servicing of displays are making vendors wonder where dealer pressures are going to end.

The escalating competitiveness among dealers has weighed heavily on suppliers, who are often asked to provide inventory management, employee training and store maintenance, while at the same time providing the lowest price and fastest delivery.

Many vendors and dealers noted that this constant hammering is eroding industry relationships, and have called for stronger "partnerships" to unite the two groups.

But dealers' competitive clamoring and suppliers' bitter complaints tend to drown out all this talk of partnerships.

"Things are being asked for," said Bruce Berg, vp-merchandising for The Home Depot, the Atlanta chain known for long-term relationships with vendors, but often cited for making stringent demands. "More dollars are at stake and fewer players are going after them."



Bruce Berg, vp-merchandising for The Home Depot, acknowledged that more demands are being made on vendors because of tighter competition. NHCN photo

"As the chains get bigger, if you make a mistake, you've lost your job," said Robert Connell, sales and marketing vp for Anaheim, Calif.-based Fluidmaster. "The pressure on those guys is greater than ever before, and they are passing as much as they can on to the manufacturer."

Suppliers grudgingly accept such hammering these days because they cannot afford to lose business.

Ad dollar demands rise

"The industry used to be an 'old boy' network and price and program weren't the factors they are today," said Connell. "If you're not selling the top 15 dealers [now], your market share drops appreciably," said Connell.

According to vendors contacted for this story, insatiable appetites for promotional dollars have emerged as the "new frontier" for dealer demands.

"My ad budget today is more in my customers' control than my own," said Ralph Pepper, building products division president for Leslie-Locke, Atlanta.

Allen Bauer, a national sales manager for Anaheim Mfg. Co., the California-based makers of waste disposers, said retailers are demanding "one hundred percent paid co-op under their cost calculations, which aren't always right."

Where that money is going isn't always apparent to vendors. "A $1 million account, will demand $100,000, $300,000 in promotional money, but with a lot of dealers, that money is dropping right to the bottom line," said another hardlines vendor who asked to remain anonymous. "They say they are using it for advertising, but I don't see enough evidence of it."

Pressures on price, supply

Pressure on vendors for promotional dollars has yet to supplant low price, though, as the No. 1 dealer demand, according to vendors. In some cases, this pressure has forced suppliers from the market, said John Hoy, director of marketing for Arrow Group Industries, Pompton Plains, N.J., makers of kits for metal storage buildings.

"They would hammer us on price, use us as a loss leader and complain that there was no margin in the industry," Hoy said.

He said the market for metal storage buildings in kits supported eight manufacturers 12 years ago, with his company virtually the only surviving major national manufacturer in the category.

(Continued on page 102)

Britain's Wickes expands reach with purchase of lumber importer

By an NHCN staff editor

LONDON — Wickes plc has purchased Hunter Group plc, whose companies are among the largest timber and plywood importers and distributors in Great Britain.

Four of Hunter's companies are involved in this deal, all involved in timber importing, distribution or retailing: Christie & Vesey, May & Hassell, Mallinson-Denny and Yeovil Timber.

In total, Hunter operates 180 retail outlets, of which around 160 are stores in the Mallinson-Denny sector run under the name Malden Timber. These stores are mostly in Scotland, Northwest England, the West Midlands and to the South in Wales and Plymouth. Wickes' 43 stores in England are principally in Yorkshire, East Midland and Southeast England.

According to Wickes' managing director Henry Sweetbaum, Hunter Group is the largest purchaser of timber, plywood and hardwood in England, as well as the largest buyer of Russian softwood.

Hunter was one of three groups—the others being Mayer International and Harrison & Crossfield—that have come to dominate lumber and plywood importing in Great Britain over the past several years. The timber-related businesses Hunter owns were all acquisitions made under the auspices of Hunter Plywood between 1985 and 1988.

Hunter's retail outlets are heavily contractor oriented, getting about 70 percent of their volume from contractors and tradesmen. Wickes stores get about the same percentage from DIYers.

"We can offer Hunter's stores a lot more in merchandising and marketing skills," said Sweetbaum in a telephone interview last month. "And Hunter's purchasing power and its ability to deal in the worldwide timber market offers us a broader range of product and the ability to buy at much lower prices."

This store in Reading, England, is one of 43 operated by Wickes, which has bought the Hunter Group, one of Britain's largest importers and distributors of timber and plywood. Photo courtesy of Wickes

The locations of the retail outlets purchased also give Wickes penetration into certain areas of the British Isles. Sweetbaum said it was feasible that Wickes retail units could be built on an as-yet-undetermined number of Malden Timber sites, which are generally small stores with large outdoor storage areas.

> "Hunter's purchasing power . . . offers us a broader range of product and the ability to buy at much lower prices."
>
> —**Henry Sweetbaum,** *managing director, Wickes plc*

"Certainly the real estate element is a real factor in this deal," he said.

The transaction is for £287 million, or approximately $488 million. To pay for this Wickes will issue £192 million in new equity that will equal about 60 percent of the company's post-acquisition stock; £25 million will be from Wickes' cash reserves; and the balance will be new debt. S.G. Warburg, the investment broker, is underwriting the new stock issue and Barclay's and Continental Illinois are funding the debt.

Hunter's former parent, The Hillsdown Group, had owned about 73 percent of Hunter, which was a public company prior to its acquisition by Wickes. When the deal is consummated, Hillsdown will hold 20 percent of Wickes plc's stock.

Wickes expects to retire quickly about £52 million of the debt from this acquisition by disposing of the eight non-timber related businesses that Hunter also ran. Sweetbaum said Wickes has already been in contact with a number of interested buyers.

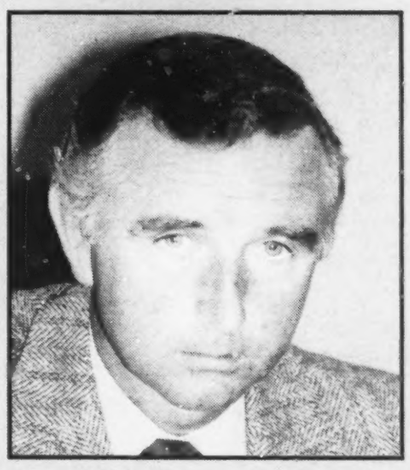
Wickes, which operates 74 stores in England and Europe, had sales last year of £178 million, and through the first six months of 1988 has seen revenues rise 30 percent to £101 million. Hunter's sales in 1987 were around £458 million, and its profitability, despite its involvement in the volatile lumber industry, has thrived, rising from £3.5 million in 1985 to £14.6 million last year and is estimated to hit £25 million in 1988.

Former Grace head named HomeClub ceo

By Brad Altman

FULLERTON, Calif. — Sean F. Lee is returning to the home center industry as president and ceo of HomeClub after a nearly two-year stint as head of Yellow Front, an Arizona-based general merchandise and discount store chain.

Lee is filling the slot vacated earlier this year when Herb Zarkin moved to Zayre Corp.'s headquarters in Framingham, Mass., to head its discount department store division.



Sean Lee returns to the home center industry as president and ceo of HomeClub. NHCN photo

A career Zayre executive, Zarkin took over the chief executive post at HomeClub in 1985 following Zayre's purchase of HomeClub and the departure of company co-founder Robert McNulty.

Lee, the former president of a Brea, Calif.-based W.R. Grace home center division, is well-known in the southern California DIY market.

In an interview with *NHCN*, Lee said he had no immediate plans to change staff, merchandise assortment or HomeClub's rapid expansion pace, which has seen the

(Continued on page 99)

Home magazine survey finds remodelers want total control over job

By an NHCN staff editor

NATIONAL REPORT — A nationwide survey conducted by a leading consumer home fashions magazine found that upscale homeowners are eager to remodel their homes and want to take an active role in the work from design to product selection.

Entitled "From Inspiration to Installation," the survey, conducted by *HOME* magazine, found that an overwhelming majority of upwardly mobile homeowners have finished or are contemplating major remodeling jobs. But the survey also uncovered some previously unexplored consumer attitudes concerning project frustration, brand identification, and sources for remodeling advice.

The survey was conducted by sending 2,000 *HOME* subscribers a four-page, 150-question survey in September 1987. From that, the magazine received an impressive 53 percent response rate.

From the survey, the magazine estimated that there are 30.2 million remodelers who are profiled by the following breakdown:

- 85 percent own their own homes;
- 67 percent are between 25-54 years old;
- 72 percent are married;
- 42 percent are college educated;

(Continued on page 8)

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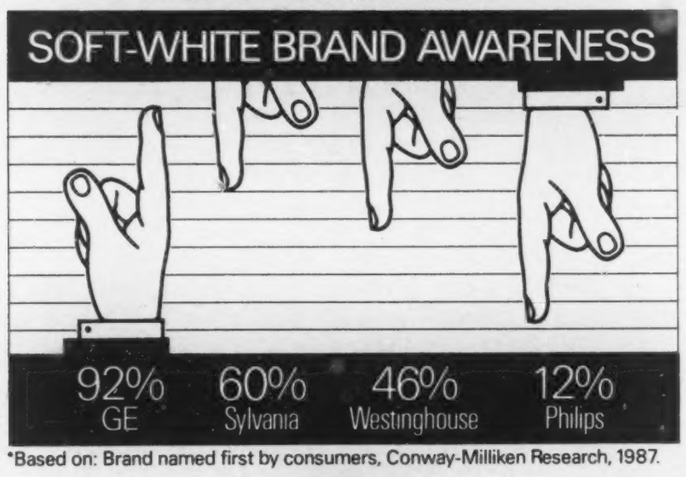

*Based on: Brand named first by consumers, Conway-Milliken Research, 1987.

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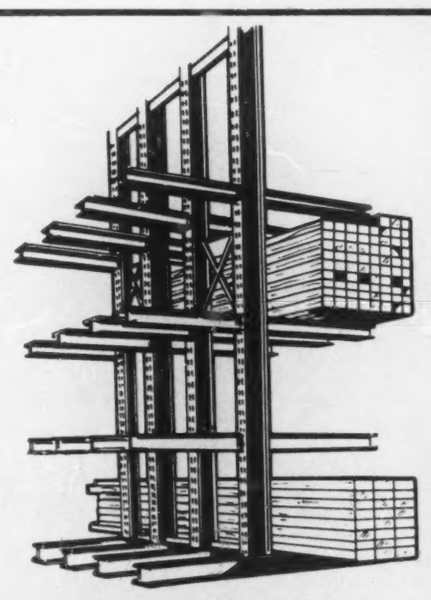

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Survey finds homeowners want total control over remodeling

(Continued from page 6)

- 26 percent are in the professional/managerial/self-employed category; and
- 46 percent have household incomes above $40,000.

HOME's questionnaire revealed that three-quarters of the respondents had remodeled, one third were in the throes of remodeling at the time of the survey, and half indicated that they will initiate a remodeling project within the next 12 months.

Although the magazine did not describe the kinds of remodeling projects involved, the respondents indicated that they intended to spend more than 10 percent of their gross annual income on remodeling.

An overwhelming majority of *HOME's* respondents are avid remodelers to the extent that 77 percent indicated they would rather remodel than move to a new house, even if their needs changed.

While that response level might have much to do with a family's income, more than seven out of 10 said one remodeling project leads to another. But six in 10 noted they were willing to sacrifice personal interests in order to remodel.

In a separate category of questions, 89 percent of the respondents said they would like to attend exhibitions that display new home products to gather information about remodeling.

This response underscored that homeowners, whether they do the project themselves or not, are determined to be intimately involved in a project from its beginning to end.

Ninety-four percent agreed with the statement, "Even if I do none of the work myself, I want to be fully in charge of the product selection."

Eighty percent agreed with the suggestion that they needed information before starting a project and 61 percent indicated they needed financing information before starting.

With regard to the financial aspects of remodeling, slightly more than 15 percent considered money an impediment.

The survey uncovered several areas of "frustration" that makes some remodeling projects a tough one for homeowners. More than three out of five respondents said they were frustrated by the delays associated with remodeling. More than half did not have the time to do the project, and about the same number said they were saddled with cost overruns.

Forty-five percent could not agree on the right design idea, and 42 percent couldn't agree on the right product.

Despite those problems, only 12 percent said they would not attempt another remodeling job.

Contrary to some previously published manufacturers' polls, 60.4 percent of respondents to the *HOME* survey agreed with a statement that they remodel more for aesthetic change rather than necessity.

Home improvement "centers" and retail outlets ranked high as sources for advice and information about remodeling for the respondents. A *HOME* researcher familiar with the survey said a home improvement center is a home center but the writers of the questionnaire did not want to use the phrase "home center" for fear of biasing the respondents' replies.

But when asked what was an "important" source of information for a remodeling job, home centers were tied equally in second place with magazine articles and contractors, accounting for 83 percent of the responses. Product literature was the most common source of information at 89 percent.

When it comes to the products to be used in the project, quality was the overwhelming requirement for homeowners. Aesthetics/design and selection were second and third respectively.

The consumers said they are not excited by nationally advertised, brand-named products. To the statement, "I prefer to buy nationally known brands rather than locally made or custom products," 56.5 percent of the respondents disagreed.

Where Consumers Go For Remodeling Information

Source	*Percentage*
Product Literature	89%
Home Centers	83
Magazine Articles	83
Builders/Contractors	83
Other Retail Outlets	80
Magazine Advertisements	75

Source: *Home Magazine* remodeling survey — *NHCN* chart

The Most Frustrating Aspects of Remodeling

Activity	*Percentage*
Construction Delays	61%
Little time to finish project	53
Cost overruns	52
Finding the right idea	45
Finding the right product	42

Source: *Home Magazine* remodeling survey — *NHCN* chart

The Home *magazine survey found that a large majority of upwardly mobile homeowners have finished or are contemplating a major remodeling job. The survey also found that home centers rate fairly high as sources of information for remodeling.*

Correction

An article on Spartenburg Lumber, appearing in the Aug. 22 issue, incorrectly stated the wholesaler's 1987 sales. They were $60 million.

In a story on the Columbus, Ohio, market in the Aug. 8 edition, *NHCN* incorrectly stated the title of Robert A. Shapiro, who is president of Majestic Paint Centers, a retail subsidiary of Yenkin Majestic Paint Corp.

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